

AMENDED IN ASSEMBLY JULY 13, 2011

AMENDED IN ASSEMBLY JUNE 13, 2011

AMENDED IN SENATE MAY 4, 2011

AMENDED IN SENATE MARCH 24, 2011

**SENATE BILL**

**No. 547**

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**Introduced by Senator Steinberg**

**(Coauthor: Senator Price)**

*(Coauthors: Assembly Members Furutani and Solorio)*

February 17, 2011

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An act to *amend Section 52052.5 of, to amend and repeal Sections 52052 and 52052.1 of, and to add Sections 52052.8, 52052.81, 52052.82, 52052.83, and 52052.84 to, the Education Code, relating to school accountability.*

LEGISLATIVE COUNSEL'S DIGEST

SB 547, as amended, Steinberg. Public school performance accountability.

(1) Existing law requires the Superintendent of Public Instruction, with the approval of the State Board of Education, to develop an Academic Performance Index (API), consisting of specified indicators, to measure the performance of schools and pupils.

This bill would make these provisions inoperative on July 1, ~~2013~~ 2014, and repeal them as of January 1, ~~2014~~ 2015. The bill would require the Superintendent, in consultation with a specified advisory committee, to develop an Education Quality Index (EQI), which would replace the API and consist of a State Assessment Index, a Graduation Rate Index, a College Preparedness Index, and a Career Readiness Index. The bill would require that these indices consist of specified criteria. The bill

would require the state board to provide opportunities for public input, make changes as necessary, and adopt the EQI no later than August 1, ~~2013~~ 2014. Commencing with the ~~2013–14~~ 2014–15 school year, the bill would require that all schools and school districts be evaluated using an EQI value. The bill would require the Superintendent to report to the Governor and the Legislature by July 1, ~~2014~~ 2015, and annually thereafter, specified information relating to the creation of additional indices. The bill also would require the Superintendent, in consultation with a specified advisory committee, to report to the Governor and the Legislature, by July 1, 2018, on the effectiveness and reliability of the EQI and any statutory changes needed for improvement. To the extent that this bill would impose new duties on school districts in connection with the establishment of the EQI, including, but not limited to, new reporting duties, it would impose a state-mandated local program.

(2) *The bill would also make conforming and clarifying changes relating to the duties of a specified advisory committee.*

(2)

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) The Legislature finds and declares all of the
- 2 following:
- 3 (1) Too many pupils in California face educational challenges
- 4 that could impede their ability to be productive participants in the
- 5 state and national economies.
- 6 (2) Nearly 100,000 California pupils are dropping out of middle
- 7 and high school annually, a number equivalent in size to the
- 8 population of the City of San Mateo or the City of Compton.
- 9 Gainful employment prospects for dropouts are shrinking given
- 10 the changing nature of the California economy.

1 (3) Many of those who do graduate from high school find  
2 themselves underprepared for the demands of college and the  
3 workplace. Nearly half of all freshmen in the California  
4 Community Colleges and the California State University system  
5 require remediation in either reading or mathematics.

6 (4) A stronger and more integrated approach to learning that  
7 combines rigorous academics with career education can engage  
8 and motivate pupils who are at risk of dropping out and can create  
9 more options for them after high school, whether they choose  
10 postsecondary education or a career. Such an approach can better  
11 prepare pupils for entry directly into the workforce after high  
12 school, without compromising academic goals and preparation for  
13 postsecondary education.

14 (5) A large majority of California high school pupils surveyed  
15 say they would be more motivated to work hard and do well if  
16 they attended schools where they could take courses needed for  
17 college and at the same time have the chance to acquire skills and  
18 knowledge relevant to future careers.

19 (6) The Public Policy Institute of California projects that by  
20 2025, two of every five jobs (41 percent) will require a college  
21 degree. Without an increased commitment to college readiness  
22 and access, Californians with college degrees will amount to just  
23 35 percent of the 2025 workforce, well short of the need. Absent  
24 improvements to college and career pathways for pupils, the growth  
25 of our emerging economy will be hindered by a lack of highly  
26 educated and skilled workers.

27 (b) The Legislature further finds and declares all of the  
28 following:

29 (1) The state's primary accountability measure for public  
30 schools, the Academic Performance Index, has performed an  
31 important function and has served as a compass by which schools  
32 have directed their school improvement efforts.

33 (2) The Academic Performance Index has been limited, however,  
34 by an overreliance on the Standardized Testing and Reporting  
35 Program as the chief indicator of school performance. Statute  
36 requires dropout and graduation rates to be included, but those  
37 rates are not yet incorporated.

38 (3) California's ongoing transition to new common core  
39 academic content standards presents an opportunity for the state  
40 to reexamine its system of public school accountability, the goals

1 the state sets for its public schools, and the most appropriate  
2 methods for measuring progress toward those goals. The new  
3 generation of pupil assessments that will accompany the common  
4 core academic content standards may provide better information  
5 about pupils' ability to analyze and solve complex problems,  
6 communicate clearly, synthesize information, and apply  
7 knowledge. These skills and capacities are vital to their success  
8 in the global economy of the 21st century.

9 (c) It is the intent of the Legislature that ~~the Academic~~  
10 ~~Performance Index~~ *California's system of public school*  
11 *accountability* evolve to encompass other valuable metrics in  
12 addition to pupil test scores, graduation rates, and dropout rates.  
13 It is further the intent of the Legislature that a more comprehensive  
14 set of expectations and aspirations for California's public schools  
15 be reflected in the ~~state's school~~ accountability system, including  
16 measures of pupil preparedness for college and career, and pupil  
17 engagement in school.

18 SEC. 2. Section 52052 of the Education Code is amended to  
19 read:

20 52052. (a) (1) The Superintendent, with approval of the state  
21 board, shall develop an Academic Performance Index (API), to  
22 measure the performance of schools, especially the academic  
23 performance of pupils.

24 (2) A school shall demonstrate comparable improvement in  
25 academic achievement as measured by the API by all numerically  
26 significant pupil subgroups at the school, including:

27 (A) Ethnic subgroups.

28 (B) Socioeconomically disadvantaged pupils.

29 (C) English learners.

30 (D) Pupils with disabilities.

31 (3) (A) For purposes of this section, a numerically significant  
32 pupil subgroup is one that meets both of the following criteria:

33 (i) The subgroup consists of at least 50 pupils each of whom  
34 has a valid test score.

35 (ii) The subgroup constitutes at least 15 percent of the total  
36 population of pupils at a school who have valid test scores.

37 (B) If a subgroup does not constitute 15 percent of the total  
38 population of pupils at a school who have valid test scores, the  
39 subgroup may constitute a numerically significant pupil subgroup  
40 if it has at least 100 valid test scores.

1 (C) For a school with an API score that is based on no fewer  
2 than 11 and no more than 99 pupils with valid test scores,  
3 numerically significant subgroups shall be defined by the  
4 Superintendent, with approval by the state board.

5 (4) The API shall consist of a variety of indicators currently  
6 reported to the department, including, but not limited to, the results  
7 of the achievement test administered pursuant to Section 60640,  
8 attendance rates for pupils in elementary schools, middle schools,  
9 and secondary schools, and the graduation rates for pupils in  
10 secondary schools.

11 (A) Graduation rates for pupils in secondary schools shall be  
12 calculated for the API as follows:

13 (i) Four-year graduation rates shall be calculated by taking the  
14 number of pupils who graduated on time for the current school  
15 year, which is considered to be three school years after the pupils  
16 entered grade 9 for the first time, and dividing that number by the  
17 total calculated in clause (ii).

18 (ii) The number of pupils entering grade 9 for the first time in  
19 the school year three school years prior to the current school year,  
20 plus the number of pupils who transferred into the class graduating  
21 at the end of the current school year between the school year that  
22 was three school years prior to the current school year and the date  
23 of graduation, less the number of pupils who transferred out of the  
24 school between the school year that was three school years prior  
25 to the current school year and the date of graduation who were  
26 members of the class that is graduating at the end of the current  
27 school year.

28 (iii) Five-year graduation rates shall be calculated by taking the  
29 number of pupils who graduated on time for the current school  
30 year, which is considered to be four school years after the pupils  
31 entered grade 9 for the first time, and dividing that number by the  
32 total calculated in clause (iv).

33 (iv) The number of pupils entering grade 9 for the first time in  
34 the school year four years prior to the current school year, plus the  
35 number of pupils who transferred into the class graduating at the  
36 end of the current school year between the school year that was  
37 four school years prior to the current school year and the date of  
38 graduation, less the number of pupils who transferred out of the  
39 school between the school year that was four years prior to the

1 current school year and the date of graduation who were members  
2 of the class that is graduating at the end of the current school year.

3 (v) Six-year graduation rates shall be calculated by taking the  
4 number of pupils who graduated on time for the current school  
5 year, which is considered to be five school years after the pupils  
6 entered grade 9 for the first time, and dividing that number by the  
7 total calculated in clause (vi).

8 (vi) The number of pupils entering grade 9 for the first time in  
9 the school year five years prior to the current school year, plus the  
10 number of pupils who transferred into the class graduating at the  
11 end of the current school year between the school year that was  
12 five school years prior to the current school year and the date of  
13 graduation, less the number of pupils who transferred out of the  
14 school between the school year that was five years prior to the  
15 current school year and the date of graduation who were members  
16 of the class that is graduating at the end of the current school year.

17 (B) The inclusion of five- and six-year graduation rates for  
18 pupils in secondary schools shall meet the following requirements:

19 (i) Schools shall be granted one-half the credit in their API  
20 scores for graduating pupils in five years that they are granted for  
21 graduating pupils in four years.

22 (ii) Schools shall be granted one-quarter the credit in their API  
23 scores for graduating pupils in six years that they are granted for  
24 graduating pupils in four years.

25 (iii) Notwithstanding clauses (i) and (ii), schools shall be granted  
26 full credit in their API scores for graduating in five or six years a  
27 pupil with disabilities who graduates in accordance with his or her  
28 individualized education program (IEP).

29 (C) The pupil data collected for the API that comes from the  
30 achievement test administered pursuant to Section 60640 and the  
31 high school exit examination administered pursuant to Section  
32 60851, when fully implemented, shall be disaggregated by special  
33 education status, English learners, socioeconomic status, gender,  
34 and ethnic group. Only the test scores of pupils who were counted  
35 as part of the enrollment in the annual data collection of the  
36 California Basic Educational Data System for the current fiscal  
37 year and who were continuously enrolled during that year may be  
38 included in the test result reports in the API score of the school.  
39 Results of the achievement test and other tests specified in

1 subdivision (b) shall constitute at least 60 percent of the value of  
2 the index.

3 (D) Before including high school graduation rates and attendance  
4 rates in the API, the Superintendent shall determine the extent to  
5 which the data currently are reported to the state and the accuracy  
6 of the data. Notwithstanding any other law, graduation rates for  
7 pupils in dropout recovery high schools shall not be included in  
8 the API. For purposes of this subparagraph, “dropout recovery  
9 high school” means a high school in which 50 percent or more of  
10 its pupils have been designated as dropouts pursuant to the  
11 exit/withdrawal codes developed by the department.

12 (E) The Superintendent shall provide an annual report to the  
13 Legislature on the graduation and dropout rates in California and  
14 shall make the same report available to the public. The report shall  
15 be accompanied by the release of publicly accessible data for each  
16 school district and school in a manner that provides for  
17 disaggregation based upon socioeconomically disadvantaged pupils  
18 and numerically significant subgroups scoring below average on  
19 statewide standards-aligned assessments. In addition, the data shall  
20 be made available in a manner that provides for comparisons of a  
21 minimum of three years of data.

22 (b) Pupil scores from the following tests, when available and  
23 when found to be valid and reliable for this purpose, shall be  
24 incorporated into the API:

25 (1) The standards-based achievement tests provided for in  
26 Section 60642.5.

27 (2) The high school exit examination.

28 (c) Based on the API, the Superintendent shall develop, and the  
29 state board shall adopt, expected annual percentage growth targets  
30 for all schools based on their API baseline score from the previous  
31 year. Schools are expected to meet these growth targets through  
32 effective allocation of available resources. For schools below the  
33 statewide API performance target adopted by the state board  
34 pursuant to subdivision (d), the minimum annual percentage growth  
35 target shall be 5 percent of the difference between the actual API  
36 score of a school and the statewide API performance target, or one  
37 API point, whichever is greater. Schools at or above the statewide  
38 API performance target shall have, as their growth target,  
39 maintenance of their API score above the statewide API  
40 performance target. However, the state board may set differential

1 growth targets based on grade level of instruction and may set  
2 higher growth targets for the lowest performing schools because  
3 they have the greatest room for improvement. To meet its growth  
4 target, a school shall demonstrate that the annual growth in its API  
5 is equal to or more than its schoolwide annual percentage growth  
6 target and that all numerically significant pupil subgroups, as  
7 defined in subdivision (a), are making comparable improvement.

8 (d) Upon adoption of state performance standards by the state  
9 board, the Superintendent shall recommend, and the state board  
10 shall adopt, a statewide API performance target that includes  
11 consideration of performance standards and represents the  
12 proficiency level required to meet the state performance target.  
13 When the API is fully developed, schools, at a minimum, shall  
14 meet their annual API growth targets to be eligible for the  
15 Governor's Performance Award Program as set forth in Section  
16 52057. The state board may establish additional criteria that schools  
17 must meet to be eligible for the Governor's Performance Award  
18 Program.

19 (e) The API shall be used for both of the following:

20 (1) Measuring the progress of schools selected for participation  
21 in the Immediate Intervention/Underperforming Schools Program  
22 pursuant to Section 52053.

23 (2) Ranking all public schools in the state for the purpose of the  
24 High Achieving/Improving Schools Program pursuant to Section  
25 52056.

26 (f) (1) A school with 11 to 99 pupils with valid test scores shall  
27 receive an API score with an asterisk that indicates less statistical  
28 certainty than API scores based on 100 or more test scores.

29 (2) A school annually shall receive an API score, unless the  
30 Superintendent determines that an API score would be an invalid  
31 measure of the performance of the school for one or more of the  
32 following reasons:

33 (A) Irregularities in testing procedures occurred.

34 (B) The data used to calculate the API score of the school are  
35 not representative of the pupil population at the school.

36 (C) Significant demographic changes in the pupil population  
37 render year-to-year comparisons of pupil performance invalid.

38 (D) The department discovers or receives information indicating  
39 that the integrity of the API score has been compromised.



1 (E) Insufficient pupil participation in the assessments included  
2 in the API.

3 (3) If a school has fewer than 100 pupils with valid test scores,  
4 the calculation of the API or adequate yearly progress pursuant to  
5 the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301  
6 et seq.) and federal regulations may be calculated over more than  
7 one annual administration of the tests administered pursuant to  
8 Section 60640 and the high school exit examination administered  
9 pursuant to Section 60851, consistent with regulations adopted by  
10 the state board.

11 (g) Only schools with 100 or more test scores contributing to  
12 the API may be included in the API rankings.

13 (h) The Superintendent, with the approval of the state board,  
14 shall develop an alternative accountability system for schools under  
15 the jurisdiction of a county board of education or a county  
16 superintendent of schools, community day schools, nonpublic,  
17 nonsectarian schools pursuant to Section 56366, and alternative  
18 schools serving high-risk pupils, including continuation high  
19 schools and opportunity schools. Schools in the alternative  
20 accountability system may receive an API score, but shall not be  
21 included in the API rankings.

22 (i) This section shall become inoperative on July 1, ~~2013~~ 2014,  
23 and, as of January 1, ~~2014~~ 2015, is repealed, unless a later enacted  
24 statute, that becomes operative on or before January 1, ~~2014~~ 2015,  
25 deletes or extends the dates on which it becomes inoperative and  
26 is repealed.

27 SEC. 3. Section 52052.1 of the Education Code is amended to  
28 read:

29 52052.1. (a) Beginning July 1, 2011, in addition to the test  
30 scores specified in subparagraph (B) of paragraph (4) of subdivision  
31 (a) of Section 52052, the Academic Performance Index (API) for  
32 a school or school district shall do all of the following:

33 (1) Include the test scores and other accountability data of  
34 enrolled pupils who were referred by the school or school district  
35 of residence to an alternative education program, including  
36 community, community day, and continuation high schools and  
37 independent study, and be calculated by assigning all accountability  
38 data on pupils in alternative education programs, including  
39 community, community day, and continuation high schools and  
40 independent study, to the school and school district of residence

1 to ensure that placement decisions are in the best interests of  
2 affected pupils. If a pupil is referred to an alternative education  
3 program by a juvenile court judge or other correctional or judicial  
4 official, or if the pupil is expelled pursuant to subdivision (a), (b),  
5 or (c) of Section 48915, the test scores of that pupil shall remain  
6 with the alternative education program and with the school district  
7 or county office of education serving that pupil. This section does  
8 not prohibit the alternative education program from counting the  
9 test scores of those pupils served in their alternative education  
10 program. It is the intent of the Legislature that these alternative  
11 education programs remain accountable to the pupils they serve.

12 (2) Exclude the test scores or other data of those pupils exempt  
13 pursuant to federal statute or federal regulation.

14 (3) Include school and school district dropout rates for pupils  
15 who drop out of school while enrolled in grade 8 or 9. If reliable  
16 data is not available by July 1, 2011, the Superintendent, on or  
17 before that date, shall report to the Legislature the reasons for the  
18 delay and date he or she anticipates the specified dropout rates  
19 will be included in the API.

20 (b) The advisory committee established pursuant to Section  
21 52052.5 shall recommend to the Superintendent and the state board  
22 all of the following:

23 (1) The length of time for which the accountability data on  
24 pupils in alternative education programs shall be assigned to the  
25 school and school district of residence pursuant to paragraph (1)  
26 of subdivision (a).

27 (2) Whether it is appropriate to assign accountability data to the  
28 school or the school district, pursuant to paragraph (1) of  
29 subdivision (a), if the pupil never attended the school of residence  
30 or has been absent for more than one year from the school district  
31 of residence due to placement in another school or school district  
32 or out of state.

33 (c) This section shall become inoperative on July 1, ~~2013~~ 2014,  
34 and, as of January 1, ~~2014~~ 2015, is repealed, unless a later enacted  
35 statute, that becomes operative on or before January 1, ~~2014~~ 2015,  
36 deletes or extends the dates on which it becomes inoperative and  
37 is repealed.

38 *SEC. 4. Section 52052.5 of the Education Code is amended to*  
39 *read:*

1 52052.5. (a) The Superintendent shall establish a broadly  
2 representative and diverse advisory committee to advise the  
3 Superintendent of Public Instruction and the state board on all  
4 appropriate matters relative to the creation of the Academic  
5 Performance Index and the implementation of the Immediate  
6 Intervention/Underperforming Schools Program and the High  
7 Achieving/Improving Schools Program *accountability measures*  
8 *developed pursuant to this article*. Members of the advisory  
9 committee shall serve without compensation for terms not to  
10 exceed two years. The department shall provide staff to the  
11 advisory panel.

12 ~~(b) By July 1, 2005, the advisory committee established pursuant~~  
13 ~~to this section shall make recommendations to the Superintendent~~  
14 ~~on the appropriateness and feasibility of a methodology for~~  
15 ~~generating a measurement of academic performance by utilizing~~  
16 ~~unique pupil identifiers for pupils in kindergarten and any of grades~~  
17 ~~1 to 12, inclusive, and annual academic achievement growth to~~  
18 ~~provide a more accurate measure of a school's growth over time.~~  
19 ~~If appropriate and feasible, the Superintendent, with the approval~~  
20 ~~of the state board, shall thereafter implement this measurement of~~  
21 ~~academic performance.~~

22 (e)

23 (b) By January 1, 2011, the Superintendent and the state board,  
24 in consultation with the advisory committee established pursuant  
25 to subdivision (a), shall make recommendations to the Legislature  
26 and the Governor on each of the following:

27 (1) Approaches to increasing the emphasis of science and  
28 mathematics in the calculation of the Academic Performance Index  
29 or any successor measure.

30 (2) Methods to incorporate into the Academic Performance  
31 Index, or into other aspects of the state's accountability system, a  
32 measure of the degree to which pupils graduate from high school  
33 with the skills and knowledge necessary to attain entry-level  
34 employment in business or industry, as set forth in subdivision (b)  
35 of Section 51228.

36 (3) Methods to incorporate into the Academic Performance  
37 Index, or into other aspects of the state's accountability system, a  
38 measure of the degree to which pupils graduate from high school  
39 with the skills and knowledge necessary to succeed in  
40 postsecondary education.

1     ~~(d)~~

2     (c) By July 1, 2013, the Superintendent and the state board, in  
3 consultation with the advisory committee established pursuant to  
4 subdivision (a), shall make recommendations to the Legislature  
5 and the Governor on the establishment of a methodology for  
6 generating a measurement of group and individual academic  
7 performance growth by utilizing individual pupil results from a  
8 longitudinally valid achievement assessment system. These  
9 recommendations should also address any interactions between  
10 the Academic Performance Index, or any successor measure, and  
11 individual test scores from the state's tests, as well as implications  
12 for the reauthorization of the state's assessment system. This  
13 paragraph shall not be construed to supersede the provisions of  
14 Chapter 273 of the Statutes of 2009.

15     ~~SEC. 4.~~

16     SEC. 5. Section 52052.8 is added to the Education Code, to  
17 read:

18     52052.8. (a) (1) The Superintendent, in consultation with the  
19 advisory committee established pursuant to Section 52052.5, shall  
20 develop an Education Quality Index (EQI) for schools and school  
21 districts, to be comprised of multiple valid and reliable indicators,  
22 to reflect the overall performance of California's public-school  
23 schools, school districts, and pupils, for adoption by the state  
24 board. The state board shall adopt the EQI no later than August 1,  
25 2013 2014. Before adopting the EQI, the state board shall provide  
26 opportunities for public input and make changes as necessary.

27     (2) Commencing with the ~~2013-14~~ 2014-15 school year and  
28 each school year thereafter, all schools and school districts shall  
29 be evaluated using an EQI value.

30     (b) It is the intent of the Legislature that the EQI provide a  
31 comprehensive and transparent measurement of pupil performance  
32 and school quality to better inform parents, pupils, teachers, school  
33 administrators, policymakers, and the public about public school  
34 performance using multiple indicators of pupil, school, and school  
35 district quality and performance.

36     (c) An EQI shall be developed for each school type and school  
37 district as follows:

38     (1) For schools and school districts maintaining any of grades  
39 9 to 12, inclusive, the EQI shall include, but not necessarily be  
40 limited to, the following component indices:

1 (A) The State Assessment Index (SAI), as described in Section  
2 52052.81.

3 (B) The Graduation Rate Index (GRI), as described in Section  
4 52052.82.

5 (C) The College Preparedness Index (CPI), as described in  
6 Section 52052.83.

7 (D) The Career Readiness Index (CRI), as described in Section  
8 52052.84.

9 (2) (A) For schools and school districts maintaining grade 8,  
10 the EQI shall include, but shall not necessarily be limited to, the  
11 SAI, as described in Section 52052.81, and the GRI, as described  
12 in Section 52052.82.

13 (B) The Superintendent, in consultation with the advisory  
14 committee established pursuant to Section 52052.5, shall consider  
15 for inclusion in the EQI for schools and school districts maintaining  
16 grade 8 a valid and reliable measure or measures of pupil access  
17 to and performance in college and career preparatory and  
18 exploratory experiences.

19 (3) (A) For schools and school districts maintaining  
20 kindergarten or any of grades 1 to 7, inclusive, the EQI shall  
21 include, but shall not necessarily be limited to, the SAI, as  
22 described in Section 52052.81.

23 (B) It is the intent of the Legislature that the EQI for schools  
24 and school districts maintaining kindergarten or any of grades 1  
25 to 7, inclusive, not be limited to the SAI, as described in Section  
26 52052.81.

27 (d) The Superintendent, in consultation with the advisory  
28 committee established pursuant to Section 52052.5, shall develop  
29 and recommend to the state board for adoption all of the following:

30 ~~(1) The relevant indices necessary for the establishment of an~~  
31 ~~EQI for school districts and for each school type, including schools~~

32 *(1) An alternative accountability system for schools* under the  
33 jurisdiction of a county board of education or a county  
34 superintendent of schools, community day schools, nonpublic,  
35 nonsectarian schools operating pursuant to Section 56366, and  
36 alternative schools serving high-risk pupils, including continuation  
37 high schools, opportunity schools, and dropout recovery high  
38 schools. ~~For purposes of this paragraph, a “dropout recovery high~~  
39 ~~school” means a high school in which 50 percent or more of its~~

~~pupils are designated as dropouts pursuant to the exit/withdrawal codes developed by the department. schools.~~

*(A) Schools in the alternative accountability system may receive an EQI or any of its component indices, but shall not be included in any rankings or comparisons to other schools based on these indices.*

*(B) For purposes of this section, “dropout recovery high school” means a high school in which 50 percent or more of its pupils are designated as dropouts pursuant to the exit/withdrawal codes developed by the department.*

(2) The relative weights of the component indices that comprise a school and school district EQI and a total value for a school and school district EQI.

(i) For schools and school districts maintaining kindergarten and any of grades 1 to 8, inclusive, the SAI shall comprise no less than 40 percent of the value of the EQI.

(ii) For schools and school districts maintaining any of grades 9 to 12, inclusive, the SAI shall comprise no more than 40 percent of the value of the EQI.

(iii) Within the EQI, the weights assigned to the CPI and CRI shall be equal.

(3) No less than one additional component index for schools maintaining kindergarten or any of grades 1 to 7, inclusive.

(4) An annual ranking or evaluation system for the EQI.

(5) An annual improvement or growth target for the SAI as described in Section 52052.81 and the GRI as described in Section 52052.82, including targets for numerically significant pupil subgroups, as defined in subdivision (k).

(6) Whether an improvement or growth target should be established for each additional component index, including targets for numerically significant pupil subgroups, as defined in subdivision (k).

(7) Whether an annual measurement of the narrowing of the achievement gap should be included for each component index, including measurements for numerically significant pupil subgroups, as defined in subdivision (k).

(8) The relevant indices and indicators necessary to meet and comply with federal law, including, but not limited to, the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301 et seq.).

(9) Any additional data elements, and connections between existing data systems, that are needed to develop the indices described in subdivision (c). For purposes of this paragraph, the Superintendent and the advisory committee established pursuant to Section 52052.5 shall consult with the University of California, the California State University, the California Community Colleges, the Employment Development Department, and other appropriate entities.

(e) The Superintendent annually shall release the indices described in this section, including all of the following:

(1) A composite EQI score, made up of any required component indices.

(2) *An EQI score, and a score for each component index, at the school and school district level, for each numerically significant pupil subgroup as defined pursuant to subdivision (k).*

~~(2)~~

(3) A transparent and understandable explanation of the score and relative weights for each individual index.

~~(3)~~

(4) The relative weights of each individual indicator included in each index.

(f) (1) When additional valid and reliable pupil outcome data become available, the Superintendent, in consultation with the advisory committee established pursuant to Section 52052.5, shall develop and recommend to the state board for adoption additional indices to reflect other important elements of school quality, including, but not limited to, the following:

(A) Creativity and innovation.

(B) Pupil engagement in school.

(2) In the development of any additional indices, the Superintendent shall take into account the appropriateness of particular indices and indicators to grade spans and school types, to ensure that the EQI and all component indices and indicators accurately reflect the state performance expectations under which the school or school district operate.

(3) Any additional component index of the EQI adopted by the state board for inclusion in the EQI shall not be incorporated into the EQI until one full school year after adoption.

(g) (1) No later than July 1, ~~2014~~ 2015, and annually thereafter, the Superintendent shall report to the Governor and the Legislature on all of the following:

(A) The status of valid and reliable data to develop *and include in each index developed pursuant to this section, including* additional indices as required by subdivision (f).

(B) The data elements planned for inclusion in ~~additional indices~~ *each additional index*.

(C) The timeline for the development and implementation of additional indices.

(D) Potential impacts of each additional index on the EQI and on schools and school districts.

*(E) Potential correlations or interaction between indices, including additional indices.*

(2) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(h) The Superintendent shall not be limited in the development of the EQI by the scope, at the time of enactment of this section, of the California Longitudinal Pupil Achievement Data System, or any other relevant data system.

(i) (1) The Superintendent, in consultation with the advisory committee established pursuant to Section 52052.5, shall report to the Governor and the Legislature no later than July 1, 2018, on the effectiveness and reliability of the EQI and any statutory changes needed for improvement.

(2) The requirement for submitting a report imposed under paragraph (1) is inoperative on July 1, 2022, pursuant to Section 10231.5 of the Government Code.

(3) A report to be submitted pursuant to paragraph (1) shall be submitted in compliance with Section 9795 of the Government Code.

(j) The Superintendent may develop and recommend to the state board for adoption any regulations necessary to implement this section.

~~(k) For purposes of this chapter, a numerically significant pupil subgroup is one that consists of at least 50 pupils, each of whom has a valid test score. Numerically significant pupil subgroups shall include, but not be limited to, ethnic subgroups,~~



1 ~~socioeconomically disadvantaged pupils, English learners, and~~  
2 ~~pupils with disabilities.~~

3 *(k) (1) For purposes of this chapter, a numerically significant*  
4 *pupil subgroup is one that meets both of the following criteria:*

5 *(A) The subgroup consists of at least 50 pupils each of whom*  
6 *has a valid test score.*

7 *(B) The subgroup constitutes at least 15 percent of the total*  
8 *population of pupils at a school who have valid test scores.*

9 *(2) If a subgroup does not constitute 15 percent of the total*  
10 *population of pupils at a school who have valid test scores, the*  
11 *subgroup may constitute a numerically significant pupil subgroup*  
12 *if it has at least 100 valid test scores.*

13 *(3) For a school with no fewer than 11 and no more than 99*  
14 *pupils with valid test scores, numerically significant pupil*  
15 *subgroups shall be defined by the Superintendent, with approval*  
16 *by the state board.*

17 *(4) Numerically significant pupil subgroups shall include, but*  
18 *not be limited to, ethnic subgroups, socioeconomically*  
19 *disadvantaged pupils, English learners, and pupils with disabilities.*

20 ~~SEC. 5:~~

21 *SEC. 6.* Section 52052.81 is added to the Education Code, to  
22 read:

23 52052.81. (a) The State Assessment Index (SAI) shall be  
24 comprised of pupil scores from the standards-based achievement  
25 tests provided for in Section 60642.5, or any valid and reliable  
26 successor assessments adopted by the state board, and the high  
27 school exit examination. The pupil data collected for the SAI that  
28 comes from the achievement test administered pursuant to Section  
29 60640 and the high school exit examination administered pursuant  
30 to Section 60851, when fully implemented, shall be disaggregated  
31 by special education status, English learners, socioeconomic status,  
32 gender, and ethnic group. The SAI for a school or school district  
33 also shall do all of the following:

34 (1) Include the test scores of enrolled pupils who were referred  
35 by the school or school district of residence to an alternative  
36 education program, including community, community day, and  
37 continuation high schools and independent study, and be calculated  
38 by assigning all data collected for purposes of the SAI on pupils  
39 in alternative education programs, including community,  
40 community day, and continuation high schools and independent

1 study, to the school and school district of residence to ensure that  
2 placement decisions are in the best interests of affected pupils. If  
3 a pupil is referred to an alternative education program by a juvenile  
4 court judge or other correctional or judicial official, or if the pupil  
5 is expelled pursuant to subdivision (a), (b), or (c) of Section 48915,  
6 the test scores of that pupil shall remain with the alternative  
7 education program and with the school district or county office of  
8 education serving that pupil. This section does not prohibit the  
9 alternative education program from counting the test scores of  
10 those pupils served in their alternative education program. It is the  
11 intent of the Legislature that these alternative education programs  
12 remain accountable to the pupils they serve.

13 (2) Exclude the test scores or other data of those pupils exempt  
14 pursuant to federal statute or federal regulation.

15 (b) The advisory committee established pursuant to Section  
16 52052.5 shall recommend to the Superintendent and the state board  
17 all of the following:

18 (1) The length of time for which the data collected for purposes  
19 of the SAI on pupils in alternative education programs shall be  
20 assigned to the school and school district of residence pursuant to  
21 paragraph (1) of subdivision (a).

22 (2) Whether it is appropriate to assign data collected for purposes  
23 of the SAI to the school or the school district, pursuant to paragraph  
24 (1) of subdivision (a), if the pupil never attended ~~the school a~~  
25 *school in the school district* of residence or is absent for more than  
26 one year from the school district of residence due to placement in  
27 another school or school district or out of state.

28 (c) All schools or school districts with at least 11 pupils with  
29 valid test scores shall receive an annual SAI score, unless the  
30 Superintendent determines that an SAI score would be an invalid  
31 measure of the performance of a school or school district for one  
32 or more of the following reasons:

33 (1) Irregularities in testing procedures occurred.

34 (2) The data used to calculate the SAI score of the school or  
35 school district are not representative of the pupil population at the  
36 school or school district.

37 (3) Significant demographic changes in the pupil population  
38 render year-to-year comparisons of pupil performance invalid.

39 (4) The department discovers or receives information indicating  
40 that the integrity of the SAI score has been compromised.

1     (5) ~~Insufficient~~ *There is insufficient* pupil participation in the  
2 assessments included in the SAI.

3     (d) The SAI for a school district shall not include test scores  
4 from any school within that school district that had its SAI  
5 invalidated for any of the reasons specified in paragraph (1) to (5),  
6 inclusive, of subdivision (c).

7     (e) A school or school district with 10 or fewer pupils shall not  
8 receive an SAI score.

9     (f) If a school has fewer than 100 pupils with valid test scores,  
10 the calculation of the SAI or adequate yearly progress pursuant to  
11 the federal No Child Left Behind Act of 2001 (20 U.S.C. Sec. 6301  
12 et seq.) and federal regulations may be calculated over more than  
13 one annual administration of the tests administered pursuant to  
14 Section 60640 and the high school exit examination administered  
15 pursuant to Section 60851, consistent with regulations adopted by  
16 the state board.

17     ~~SEC. 6.~~

18     ~~SEC. 7.~~ Section 52052.82 is added to the Education Code, to  
19 read:

20     52052.82. (a) The Graduation Rate Index (GRI) shall include  
21 one or both of the following, as appropriate to the grade  
22 configuration of the school or school district:

23         (1) Four-year, five-year, and six-year graduation rates as defined  
24 in Section 200.19(b) of Title 34 of the Code of Federal Regulations.

25         (2) Rates at which pupils successfully promote from one grade  
26 to the next in middle school and high school and successfully  
27 matriculate from middle school to high school.

28     (b) All schools and school districts shall be granted full value  
29 in their GRI for graduating in five or more years a pupil with  
30 disabilities who graduates in accordance with his or her  
31 individualized education program (IEP).

32     (c) The Superintendent, in consultation with the advisory  
33 committee established pursuant to Section 52052.5, shall develop  
34 and recommend to the state board for adoption all of the following:

35         (1) The length of time for which the following shall be assigned  
36 to the school and school district of residence, pursuant to  
37 subdivision (a):

38             (A) The rates at which pupils successfully promote from one  
39 grade to the next in middle school and high school.

1 (B) The rates at which pupils successfully matriculate from  
2 middle *school* to high school.

3 (C) Graduation rates of pupils in alternative education programs.

4 (2) Whether it is appropriate to assign the rates at which pupils  
5 successfully promote from one grade to the next in middle school  
6 and high school, successfully matriculate from middle *school* to  
7 high school, and graduation rates, to the school or the school  
8 district, pursuant to subdivision (a), if the pupil never attended ~~the~~  
9 ~~school~~ *a school in the school district* of residence or is absent for  
10 more than one year from the school district of residence due to  
11 placement in another school or school district or out of state.

12 (3) The value graduation rates will have in the GRI for pupils  
13 who graduate in four, five, or six years. The recommendation may  
14 place less value on five- and six-year graduation rates than on  
15 four-year graduation rates.

16 (4) Whether a California public high school that initially enrolls  
17 a pupil who is at risk of not graduating on time may be granted  
18 full value in their GRI for graduating that pupil in five or six years.

19 (d) The GRI for a school or school district also shall do all of  
20 the following:

21 (1) Include the rates at which pupils successfully promote from  
22 one grade to the next in middle school and high school, successfully  
23 matriculate from middle school to high school, and graduation  
24 rates, pursuant to subdivision (a), for enrolled pupils who were  
25 referred by the school or school district of residence to an  
26 alternative education program, including community, community  
27 day, and continuation high schools and independent study, and be  
28 calculated by assigning all data collected for purposes of the GRI  
29 on pupils in alternative education programs, including community,  
30 community day, and continuation high schools and independent  
31 study, to the school and school district of residence to ensure that  
32 placement decisions are in the best interests of affected pupils. If  
33 a pupil is referred to an alternative education program by a juvenile  
34 court judge or other correctional or judicial official, or if the pupil  
35 is expelled pursuant to subdivision (a), (b), or (c) of Section 48915,  
36 the test scores of that pupil shall remain with the alternative  
37 education program and with the school district or county office of  
38 education serving that pupil. This section does not prohibit the  
39 alternative education program from counting the dropout and  
40 graduation rates of those pupils served in their alternative education

1 program. It is the intent of the Legislature that these alternative  
2 education programs remain accountable to the pupils they serve.

3 (2) Exclude the rates at which pupils successfully promote from  
4 one grade to the next in middle school and high school, successfully  
5 matriculate from middle school to high school, and graduation  
6 rates of those pupils exempt pursuant to federal statute or federal  
7 regulation.

8 (e) Growth targets and a statewide performance target  
9 established for the GRI shall be consistent with those established  
10 pursuant to the federal No Child Left Behind Act of 2001 (20  
11 U.S.C. Sec. 6301 et seq.) or any successor measure adopted  
12 pursuant to the federal Elementary and Secondary Education Act.

13 ~~SEC. 7.~~

14 *SEC. 8.* Section 52052.83 is added to the Education Code, to  
15 read:

16 52052.83. (a) The College Preparedness Index (CPI) shall  
17 consist of multiple valid, reliable, and stable measures of pupil  
18 preparedness for postsecondary education. In developing the CPI,  
19 the Superintendent, in consultation with the advisory committee  
20 established pursuant to Section 52052.5, may consider, but is not  
21 necessarily limited to, the following indicators for inclusion in the  
22 CPI, or for inclusion in informational reports to educators,  
23 policymakers, and the public, as appropriate:

24 (1) Rates at which pupils complete a course of study at an  
25 achievement level that fulfills the requirements and prerequisites  
26 for eligibility of admission to a California four-year public  
27 institution of postsecondary education, pursuant to subdivision (a)  
28 of Section 51228.

29 (2) Rates at which college preparedness assessments, such as  
30 the Early Assessment Program established pursuant to Chapter 6  
31 (commencing with Section 99300) of Part 65 of Division 14 of  
32 Title 3, the Preliminary Scholastic Aptitude Test (PSAT), the  
33 Scholastic Aptitude Test (SAT), and the ACT are administered to  
34 high school pupils, and rates at which pupils who complete these  
35 assessments can demonstrate they do not need remedial coursework  
36 in order to perform college-level work.

37 (3) Rates at which high school pupils are enrolled in and perform  
38 satisfactorily in college preparatory and accelerated learning  
39 opportunities, including advanced placement courses and tests,  
40 the International Baccalaureate program, postsecondary concurrent

1 enrollment programs, Advancement Via Individual Determination  
2 (AVID), Mathematics Engineering Science Achievement (MESA),  
3 Early Academic Outreach Program (EAOP), and the Puente  
4 Project.

5 (b) In developing the CPI, the Superintendent, in consultation  
6 with the advisory committee established pursuant to Section  
7 52052.5, shall recommend to the state board for adoption a method  
8 for providing additional weight in the index for schools and school  
9 districts that demonstrate that pupil subgroups, including  
10 economically disadvantaged pupils, are proportionately represented  
11 among pupils who are prepared and eligible for enrollment in  
12 four-year colleges and universities.

13 ~~SEC. 8.~~

14 *SEC. 9.* Section 52052.84 is added to the Education Code, to  
15 read:

16 52052.84. (a) The Career Readiness Index (CRI) shall consist  
17 of multiple valid, reliable, and stable measures of pupil readiness  
18 for career. In the development of the CRI, the Superintendent, in  
19 consultation with the advisory committee established pursuant to  
20 Section 52052.5, may consider, but is not necessarily limited to,  
21 the following indicators for inclusion in the CRI, or for inclusion  
22 in informational reports to educators, policymakers, and the public,  
23 as appropriate:

24 (1) Rates at which pupils satisfactorily complete a designated  
25 career pathway, a series of courses that meets the career technical  
26 education content standards adopted by the state board, courses  
27 that integrate academic content standards and career technical  
28 education, or courses meeting United States Department of Labor  
29 Job Corps industry group standards offered in partnership with a  
30 high school identified in subdivision (g) of Section 47605.1.

31 (2) Rates at which pupils earn an industry validated certificate,  
32 license, or the equivalent in the designated occupation for which  
33 it is issued, while enrolled in high school, or rates at which pupils  
34 are on track to earn such a certificate, license, or equivalent through  
35 a high school level program that is articulated with a program at  
36 a postsecondary institution.

37 (3) The performance of pupils on valid and reliable assessments,  
38 including portfolio assessments, that are designed to assess the  
39 degree to which pupils have acquired the skills and knowledge

1 necessary to be successful in a specified occupation or in the  
2 general workforce.

3 (b) The Superintendent, in consultation with the advisory  
4 committee established pursuant to Section 52052.5, may consider,  
5 but is not necessarily limited to, the following indicators for  
6 inclusion in informational reports to educators, policymakers, and  
7 the public on the CRI, as appropriate:

8 (1) Rates at which graduates enroll in a community college  
9 course of technical study leading to a professional certificate.

10 (2) Rates at which graduates enroll in a community college and  
11 pursue an associates degree in a professional technical field or  
12 major.

13 (3) Rates at which graduates are employed in an occupation  
14 with a career ladder. For purposes of this paragraph, “career ladder”  
15 means an opportunity for an entry level employee to attain higher  
16 levels of pay, skill, and responsibility.

17 (4) Rates at which graduates enroll in a four-year college and  
18 pursue majors in professional fields.

19 (5) Rates at which graduates are enrolled in an apprenticeship  
20 program leading to full-time employment.

21 (6) Earnings of graduates.

22 (7) Other measures of postsecondary accomplishment, such as  
23 enlistment in the Armed Forces, California Conservation Corps,  
24 or other volunteer service organizations.

25 ~~SEC. 9.~~

26 *SEC. 10.* If the Commission on State Mandates determines that  
27 this act contains costs mandated by the state, reimbursement to  
28 local agencies and school districts for those costs shall be made  
29 pursuant to Part 7 (commencing with Section 17500) of Division  
30 4 of Title 2 of the Government Code.